

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
CALLOWAY COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period
July 1, 2009 Through June 30, 2010**



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Independent Accountant's Report

Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Ronnie Jackson
Calloway County Property Valuation Administrator
Murray, Kentucky 42071-0009

We have performed the procedures enumerated below, which were agreed to by the Calloway County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2009 through June 30, 2010. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Calloway County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2010), for all bank accounts, to determine if amounts are accurate.

Finding -

The PVA maintains a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. The June 30, 2010 bank reconciliation was re-performed and agreed to the PVA's bank reconciliation.

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

All receipts from city governments recorded by the PVA were confirmed with the cities and appeared to be complete and accurate.



Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Ronnie Jackson
Calloway County Property Valuation Administrator
(Continued)

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

The statutory contribution calculated by the Department of Revenue agrees to the fiscal court's budgeted contribution amount. The fiscal court pays the deputies' compensation portion of the statutory contribution directly to the Department of Revenue. The remaining portion of the contribution was paid in four equal installments to the PVA's office and deposited in the PVA's local fund's bank account. However the payments from the fiscal court were not paid timely and in accordance with KRS 132.590. Payments for each quarter were paid September 17, December 17, March 18, and June 17, respectively.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

All selected PVA expenditures agreed with cancelled checks and paid invoices or other supporting documentation. Expenditures appear to be for official business. The PVA office does not have any credit cards.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

The PVA did not purchase any capital outlay disbursements for the audit period. The PVA's Capital Asset inventory list is properly maintained.

Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Ronnie Jackson
Calloway County Property Valuation Administrator
(Continued)

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

The PVA has several service contract agreements. The PVA pays for contract services based on the billing provided by the contracting company. The amount paid is reasonable based on fee schedules. Services received per contract agreements are appropriate, for official business, and properly authorized.

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

The PVA's budget, as amended and approved by the Department of Revenue, was not overspent in any expense category or series.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if a collateral agreement exists.

Finding -

Federal Deposit Insurance Corporation (FDIC) coverage was sufficient to protect the PVA's deposits in all months. No pledge of collateral was necessary.

9. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding -

Timesheets are completed, maintained, approved, and support hours worked.

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Calloway County Property Valuation Administrator
(Continued)

10. Procedure -

For newly hired employees, during July 1, 2009 through June 30, 2010, of the PVA office determine if the Ethics Certification Form has been completed and is on file.

Finding -

The PVA hired two part time employees. Both signed the ethics certification forms and had copies in their personnel files.

11. Procedure -

Determine if the PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding -

The PVA's office was not closed on any occasion for instances other than state holidays during the 2010 fiscal year.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a stylized, flowing script.

Crit Luallen
Auditor of Public Accounts

August 24, 2010